

OFFICIAL GAZETTE

GOVERNMENT OF GOA

EXTRAORDINARY

No. 2

GOVERNMENT OF GOA

Law (Legal and Legislative Affairs) Department

Notification

3-2-89/LA

In exercise of the powers conferred by section 11 read with section 3AA of the Goa Salary, Allowances and Pension of Members of the Legislative Assembly Act, 1964 (Act 2 of 1965), the Government of Goa hereby makes the following rules, namely:—

1. *Short title and commencement.*— (1) These rules may be called the Goa (Grant of Advance to Members of the Legislative Assembly for Purchase of Motor Car) Rules, 1990.

(2) They shall come into force at once.

2. *Definitions.*— In these rules, unless the context otherwise requires, —

(a) 'Act' means the Goa Salary, Allowances and Pension of Members of the Legislative Assembly Act, 1964 (Act 2 of 1965);

(b) 'Accounts Officer' means the Director of Accounts;

(c) 'Sanctioning Authority' means the Secretary to the Goa Legislative Assembly;

(d) 'Section' means section of the Act;

(e) Terms and expressions used in these rules but not defined, shall have the same meaning, respectively assigned in the Act.

3. *Application for grant of Advance.*— An application for grant of advance under these rules shall be made in Form—I to the Sanctioning Authority.

4. *Maximum amount of advance admissible to Member.*— (1) The maximum amount of advance admissible to a Member under section 3AA shall be Rupees one lakh for purchase of new Motor Car.

(2) The advance shall be paid by P. A. O. cheque/ Demand Draft drawn in favour of the reputed dealer.

5. *Repayment.*— (1) The advance granted to a Member under these rules together with interest thereon shall be repaid in such number of equal monthly instalments not exceeding one hundred and twenty as the Sanctioning Authority may decide in each case. The Sanctioning Authority may further refix the total number of monthly instalments as may be decided in each case for recovering the balance amount of loan alongwith interest, on ceasing to be a Member of Assembly. Recovery shall be made by deduction from the salary and other allowances admissible under the Act to the Member. The Sanctioning Authority may, if a Member so desires, permit the recovery to be made in a lesser number of instalments. The recovery by deduction from the salary and other allowances shall commence from the month following that in which the advance is drawn, and in order to ensure the recovery and accounting thereof, the bills of the Members to whom car advance have been granted shall be routed through the Sanctioning Authority.

(2) Simple interest at such rates as may be fixed by the Government from time to time for similar advances sanctioned to the Government servants, shall be charged on advances granted under these rules. Interest shall be calculated from the date of drawal of advance, on the balances outstanding. The rate fixed at the time of sanction of the advance shall hold good for the entire duration of advance.

(3) If a person ceases to be a Member of the Assembly for any reason, the amount due towards each monthly instalment and interest thereon may be deducted from the pension payable to him or such person may repay such amount by remitting in cash in any Government Treasury, and shall produce Treasury challan every month for having so remitted the amount unless he repays the entire dues in a lumpsum and produces receipt therefor.

(4) Every Member shall, before selling the motor car purchased under these rules, obtain the prior permission of the Sanctioning Authority except when he upon ceasing to be a Member has repaid the entire principal amount and the interest thereon due towards the advance.

(5) Where a motor car is sold before the advance is repaid, the sale proceeds must be applied, so far as may be necessary, towards the repayment of outstanding balance of the advance:

Provided that when the motor car is sold in order to purchase another motor car, the Sanctioning Authority may permit a Member to apply the sale proceeds of old motor car towards the purchase of a new motor car if,—

- (i) the amount outstanding does not exceed the cost of the new car;
- (ii) the amount outstanding and the interest thereon are being paid regularly at the rate and in such instalments as was fixed at the time of grant of advance; and
- (iii) the new car so purchased is hypothecated to the Government and is also insured.

(6) A person who ceases to be a Member and makes default in payment of monthly instalments of the principal or interest shall on his becoming an insolvent or contravening any of the terms and conditions of the loan, repay at once the whole of the principal amount and the interest thereon or the balance unpaid.

(7) In the event of death of a Member before the recovery of entire dues towards the advance, the Government shall be entitled to enforce the mortgage and take such other action to effect recovery of the outstanding amount, as may be permissible.

(8) The amount of advance to be recovered by monthly instalments shall be fixed in whole rupee except in case of last instalment, when the remaining balance including any fraction of rupee shall be recovered.

6. *Negotiations for purchase of motor car.*—(1) A Member to whom an advance is sanctioned for the purchase of a motor car shall complete his negotiations for the purchase and shall make final payment for the motor car within one month from the date on which he draws the advance and failing such completion and payment, the full amount of the advance drawn with interest thereon for the month shall be refunded to the Government. The period of one month for completion of negotiation may, however, be extended by the Sanctioning Authority in any individual case on merits. An advance will not be admissible when a motor car has already been purchased and paid for in full. In a case in which payment has been made in part, the amount of advance will be limited to the balance to be paid as certified by the Member.

(2) At the time of drawing the advance, the Member shall execute an agreement in Form II and on completing the purchase he shall further execute a mortgage bond in Form III hypothecating the motor car to the Government as security for the advance. The cost price of the motor car shall be entered in the Schedule of specifications attached to the mortgage bond.

(3) The Sanctioning Authority shall require the Member to furnish additional collateral security, where considered necessary. The collateral security may be in the form of assignment of Life Insurance Policies or title deeds of other properties.

(4) When an advance is drawn, the Sanctioning Authority shall furnish to the Accounts Officer, a certificate that the agreement in Form II has been signed by the Member drawing the advance and that it has been found to be in order. The Sanctioning Authority shall ensure that the motor car is purchased within two months from the date on which the advance is drawn or within such period as may have been specifically allowed in any individual case by the Sanctioning Authority for completion of the negotiation under sub-rule (1) and shall submit every mortgage bond, promptly to the Accounts Officer for examination before being finally kept for record.

(5) The mortgage bond shall be kept in the safe custody of the Sanctioning Authority. When the advance together with the interest thereon has been fully repaid, the bond shall be returned to the Member duly cancelled after obtaining a certificate from the Accounts Officer as to the complete repayment of the advance and the interest thereon.

(6) The motor car purchased with the advance shall be insured against full loss by fires, theft or accident with the General Insurance Corporation of India or any subsidiary company thereto. The insurance policy shall contain a clause by which the Corporation or the Subsidiary Company agrees to pay to the Government instead of the owner any sums payable in respect of loss or damages to the motor car which is not made good by repair, reinstatement or replacement. Such insurance should be effected within one month from the date of purchase.

FORM—I

The Goa (Grant of Advance to Members of the Legislative Assembly for purchase of Motor Car) Rules, 1990

(See rule 3)

Application for Motor Car Purchase Advance to Members of the Legislative Assembly

1. Name of Applicant (in block letters)
2. Applicant's Designation
3. District and Station
4. (i) Salary
(ii) Other Allowances
5. Anticipated price of Motor Car
6. Amount of advance required
7. Date/Month of expiry of term
8. Number of instalments in which the advance is desired to be repaid
9. Name and address of the reputed dealer.
10. Are any negotiations or preliminary enquiries being made so that delivery of motor car may be taken within one month from the date of the drawal of the advance.
11. (a) Certified that the information given above is complete and true.
(b) Certified that I have not purchased the motor car on account of which I apply for the advance and that I shall complete negotiations for the purchase of motor car and make final payment and take possession of the said motor car before the expiry of one month from the date of drawal of the advance and that I shall insure the motor car with the General Insurance Corporation of India or any Subsidiary Company thereto in accordance with the rules and that I shall abide by the rules relating to the grant of advances to the Members of Assembly for the purchase of motor car.

Applicant's Signature

FORM — II

The Goa (Grant of Advance to Members of the Legislative Assembly for purchase of Motor Car) Rules, 1990.

[See rule 6(2)]

Form of Agreement executed before drawing an advance for the purchase of motor car.

This Agreement is made on this ... day of ... in the year one thousand nine hundred and ... Between ... (hereinafter called the "Borrower" which expression shall include his heirs, administrator, executors and legal representatives) of the one part and the Governor of Goa (hereinafter called the "Government") of the other part.

Whereas the Borrower has under the provisions of the Goa (Grant of Advance to Members of the Legislative Assembly for purchase of Motor Car) Rules, 1990 (hereinafter referred to as the 'said Rules' which expression shall include any amendments thereof for the time being in force) applied to the Sanctioning Authority for a loan of Rs. ... for the purchase of motor car;

And whereas the Sanctioning Authority has agreed to lend the said amount to the Borrower on the terms and conditions hereinafter contained.

Now, it is hereby agreed between the parties hereto that in consideration of the sum of Rs. ... to be paid by the Government, the Borrower hereby agrees with the Government—

(1) to pay the Government the said amount with interest, and penal interest if any, leviable calculated according to the said Rules by monthly deductions from his salary, pension and allowances as provided in the said Rules and hereby authorises the Government to make the requisite deductions; and

(2) to execute a document hypothecating the said motor car and also to furnish additional collateral security in the form of assignment of Life Insurance Policy or title deeds of other properties in favour of Government as security for the amount lent to the Borrower as aforesaid and interest and penal interest if any, leviable in the form provided by the said Rules. And It Is Hereby Lastly, Agreed And Declared That If the Motor Car has not been hypothecated as aforesaid within one month from the date of the payment of the said sum or if the Borrower within that period becomes insolvent or ceases to be the Member or dies, the whole amount of the loan and interest and penal interest, if any, leviable, accrued thereon shall immediately become due and payable.

In witness whereof the Borrower and ... for and on behalf of the Governor of Goa have hereunto set their hands the day and year first before written.

Signed by Shri ...

designation ...

(Borrower)

Witnesses:

1. ...
2. ...

Signed by (Name and Designation)

for and on behalf of the Governor of Goa, in the presence of

1. ...
2. ...

(Signature of Witnesses)

FORM — III

The Goa (Grant of Advance to Members of the Legislative Assembly for purchase of Motor Car) Rules, 1990

[See rule 6 (2)]

Form of Mortgage Bond for Motor Car Advance.

This Indenture is made on this ... day of ... in the year one thousand nine hundred and ... BETWEEN ... (hereinafter called the 'Borrower' which expression shall include his heirs, administrators, executors and legal representatives) of the one part and the Governor of Goa (hereinafter called the "Government") of the other part.

WHEREAS the Borrower has applied for and has been granted advance of Rs. ... to purchase a motor-car under the provisions of the Goa (Grant of Advance to Members of the Legislative Assembly for purchase of Motor Car) Rules, 1990 (hereinafter referred to as the 'said Rules' which expression shall include any amendments thereof for the time being in force);

AND WHEREAS one of the conditions upon which the said advance has been granted to the Borrower is that the Borrower shall hypothecate the motor car and also furnish additional collateral security in the form of assignment of Life Insurance Policy or title deeds of other properties in favour of Government as security for the amount lent to the Borrower;

AND WHEREAS the Borrower has purchased with or partly with the amount so advanced as aforesaid the motor car the particulars whereof are set out in the Schedule I hereunder written (hereinafter called the 'said motor car').

NOW, THEREFORE, this Indenture witnesseth that in pursuance of the said agreement and for the consideration aforesaid the Borrower doth hereby covenant to pay to the Government the sum of Rs. ... aforesaid by equal payments of Rs. ... each on the first day of every month and will pay interest on the sum for the time being remaining due and owing calculated according to the said Rules and the Borrower doth agree that such payments may be recovered by monthly deductions from his salary, pensions and allowances in the manner provided by the said Rules, and the Borrower doth hereby assign and transfer unto the Government the said motor car and also the Life Insurance Policy bearing No. ... for rupees ... due for maturity on ... (hereinafter called the 'said Life Insurance Policy') or the title deeds of the property described in Schedule II (hereinafter called the 'said Property'), by way of security for the said advance and the interest thereon as required by the said Rules.

And the Borrower doth hereby agree and declare that he has paid in full the purchase price of the said motor car and that the same is his absolute property and that he has not pledged, and so long as any money remains payable to the Government in respect of the said advance, shall not sell, pledge or part with the said motor car. PROVIDED ALWAYS and it is hereby agreed and declared that if any of the said instalments of principal or interest shall not be paid or recovered in manner aforesaid within ten days after the same are due or if the Borrower shall die or at any time ceases to be a Member of the Legislative Assembly or if the Borrower shall sell or pledge or part with the said Motor Car or become insolvent or make any composition or arrangement with his creditors or if any person shall take proceedings in execution of any decree or judgement against the Borrower, the whole of the said principal sum which shall then be remaining due and unpaid together with the interest thereon calculated as aforesaid shall forthwith become payable. AND IT IS HEREBY AGREED AND DECLARED that the Government may, on the happening of any of the events hereinbefore mentioned seize and take possession of the said motor car and the said Life Insurance Policy or the said property and.—

- (i) realise the amount from the said Life Insurance Policy; or
- (ii) sell by public auction or private contract without the intervention of the Court, the said motor car and the said property

and may out of the realisation of the assigned Life Insurance Policy; or of the sale money of the said motor car and the said property as the case may be, retain the balance of the said advance then remaining unpaid and any interest due thereon calculated as aforesaid and all costs, charges, expenses and payments properly incurred, or made in maintaining, defending or realising Government's rights hereunder and shall pay over the surplus, if any, to the Borrower, his executors, administrators or legal representatives, PROVIDED FURTHER that the aforesaid power of taking possession or selling of the said motor car and the said property and realisation of the amount from the said Life Insurance Policy shall not prejudice the right of the Government to sue the Borrower or his legal representatives for the said balance remaining due and interest or in the case of the said motor car and the said property being sold or the amount of the said Life Insurance Policy being realised the amount by which the net sale proceeds fall short of the amount owing AND the Borrower hereby further agrees that so long as any moneys are remaining due and owing to the Government, he the Borrower will insure and keep insured the said motor car against loss or damage by fire, theft or accident with the General Insurance Corporation of India or any subsidiary company thereto and will produce evidence to the satisfaction of the Government that the said Corporation or the Company whom the said motor car is insured have received notice that the Government is interested in the policy AND hereby further agrees that he will not permit or suffer the said motor car to be destroyed or injured or to deteriorate in a greater degree than it would deteriorate by reasonable wear and tear thereof AND further that in the event of any damage or accident happening to the said motor-car, the Borrower will forthwith have the same repaired and made good.

Schedule I

Description of Motor Car—

Maker's name

Description

No. of Cylinders

Engine Number

Chassis No.

Cost Price

Schedule II

(Description of property)

In witness whereof the parties hereto have hereunto set their respective hands on the day and year first above written.

Signed and delivered by

Shri ...

Borrower.

Witnesses:

1. ...

2. ...

Signed and delivered by

Shri ...

for and on behalf of the
Governor of Goa

Witnesses:

1. ...

2. ...

By order and in the name of the Governor of
Goa.

P. V. Kadnekar, Under Secretary (Drafting).

Panaji, 9th November, 1990.